

## PRESS RELEASE

### **A HISTORIC TURNING POINT FOR THE PORT OF TRIESTE: THE DECREE ON THE MANAGEMENT OF FREE PORT AREAS HAS NOW BEEN ISSUED MINISTER DELRIO IN TRIESTE FOR THE SIGNING CEREMONY**

*D'Agostino: the government recognizes the Port of Trieste's international function.*

*We shall make the Free Port a key tool for developing the logistical-industrial system that revolves around the port.*

*The port will play a new crucial role for the Silk Road initiative*

Trieste, 27 June 2017 – The Port of Trieste has reached a turning point: it finally has a decree that clarifies the management of its free port areas.

Several days ago at the offices of the Friuli Venezia Giulia Autonomous Region in Trieste, the Italian Minister of Transport and Infrastructure Graziano Delrio signed the implementing decree on free port areas. Also in attendance were the President of the Region Debora Serracchiani and the President of the Port System Authority of the Eastern Adriatic Sea Zeno D'Agostino.

“This is a historic date” – stated D'Agostino – “because in less than a year we have made operational a tool that for the previous 23 years no one had the strength or desire to bring to completion. In spite of conferences, announcements, and attempts to take advantage of the situation, nothing concrete had been done. It is only thanks to our work, carried out in synergy with the President of the Region Debora Serracchiani, the Customs and Monopolies Agency, and the Italian Government, that we finally arrived at a definitive solution for the longstanding issues related to the Trieste International Free Port.

The lack of legislation on this issue – which had been called for under the previous port reform law (L. 84/94) but never acted upon – meant that until today, free port areas were managed in a collaborative fashion by the various administrations involved. Of course, such a situation meant that the enormous potential that a free port area regime implies was never unlocked. Today, a new era begins for the port and for the city of Trieste”.

The issuing of the new decree – pursuant to Legislative Decree of 4 August 2016, which created the new Port System Authorities – simplifies the management of free port areas, and makes them more efficient and better suited to the global challenges that the Port of Trieste is currently faced with.

An important detail is that, unlike previous proposals, the current decree fully recognizes the validity of the international provisions that apply to Trieste's free port areas, and stresses that Italy remains committed to respecting international laws. Indeed, it explicitly references Annex VIII of the 1947 Treaty of Peace, the 1954 Memorandum of Understanding of London, and the 1955 and 1959 decrees of the Government commissioner; by doing so, the government recognizes the international vocation of the Port of Trieste as being unique in an Italian context.

The decree's salient contents include endowing the Port System Authority of the Eastern Adriatic

Sea with the power to modify free port areas. This is certainly the most important new development, and it implements the principles set out in Annex VIII of the Treaty of Peace under articles 18-20: the new decree gives decision-making authority in this regard to the president of the port, as the person institutionally in charge of managing free port areas. The Authority will also have the power to authorize the industrial processing and handling of goods in free port areas and provide technical assistance to investors. It will also be able to re-organize the free port areas to better meet the varied needs of international commerce, including through the identification of specific areas to be destined for industrial uses such as stocking, handling, and processing; and of areas in which to concentrate logistical services related to goods in transit. Importantly, rail traffic development has been acknowledged, and the Authority put in charge with strengthening rail links and verify compliance with regulations concerning the use of such infrastructure. Finally, international promotion and training are also mentioned; these aspects will play a crucial role in boosting the innovative nature of Trieste's free port areas.

“The Free Port is almost 300 years old” – concluded D’Agostino – “but this decree brings it back to new life. Now we will be able to give guarantees to international investors, and our new status can become a strategic driver of development to be integrated with the authority’s planning powers and promotion responsibilities, so that the port and its logistical system can truly take off in the international arena. I am thinking in particular of the Silk Road initiative: from now on, we will finally be able to play a decisive role: we are no longer just a port, but a key link in global logistical and industrial chains”.